
HOUSE BILL 1526

State of Washington 59th Legislature 2005 Regular Session

By Representatives Miloscia, Dunshee, Appleton, Dickerson, Kagi and Moeller

Read first time 01/26/2005. Referred to Committee on State Government Operations & Accountability.

1 AN ACT Relating to public financing of campaigns; amending RCW
2 42.17.020, 42.17.095, 42.52.180, 42.17.128, and 42.17.130; adding new
3 sections to chapter 42.17 RCW; creating new sections; and prescribing
4 penalties.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The purpose of this act is to create a
7 system of clean elections for state office campaigns through public
8 financing, thereby focusing campaigns on issues and away from the
9 sources of campaign contributions. Public financing of campaigns will
10 limit the influence of large contributors and special interests in
11 political campaigns.

12 NEW SECTION. **Sec. 2.** VOLUNTARY LIMITATIONS ON CONTRIBUTIONS FOR
13 POLITICAL CAMPAIGNS. A participating candidate and a participating
14 candidate's authorized committee:

15 (1) Shall not accept individual contributions in excess of ten
16 dollars for each election cycle;

17 (2) Shall not accept contributions from a political committee, a

1 continuing political committee, a bona fide political party, a caucus
2 political committee, a union, a corporation, or any other group or
3 entity;

4 (3) Shall not expend more than a total of five hundred dollars of
5 the candidate's personal money;

6 (4) Shall collect one hundred qualifying contributions under
7 section 5 of this act; and

8 (5) Shall comply with this chapter.

9 NEW SECTION. **Sec. 3.** CERTIFICATION AS A PARTICIPATING CANDIDATE.

10 (1) A candidate who wishes to be certified as a participating candidate
11 shall, before the end of the qualifying period, file an application
12 with the commission using a form specified by the commission. The
13 application must identify the candidate, the office that the candidate
14 plans to seek, and the candidate's party, if any, and contain the
15 candidate's signature, under oath, certifying that:

16 (a) The candidate has complied with the restrictions of section 2
17 of this act during the election cycle to date;

18 (b) The candidate's campaign committee has filed all campaign
19 finance reports required under this chapter during the election cycle
20 to date that are complete and accurate; and

21 (c) The candidate will comply with the requirements of section 2 of
22 this act during the remainder of the election cycle and, specifically,
23 will not accept individual contributions in excess of the limit
24 established in section 2(1) of this act; and will not accept
25 contributions from a political committee, a continuing political
26 committee, a bona fide political party, a caucus political committee,
27 a union, a corporation, or any other group or entity.

28 (2) The commission shall act on the application within seven days.
29 Unless, within that time, the commission denies an application and
30 provides written reasons that all or part of a certification in
31 subsection (1) of this section is incomplete or untrue, the commission
32 shall certify the candidate as a participating candidate. If the
33 commission denies an application for failure to file all complete and
34 accurate campaign finance reports or failure to make the certification
35 in subsection (1)(c) of this section, the candidate may reapply within
36 fourteen days of the commission's decision by filing complete and
37 accurate campaign finance reports and another sworn certification.

1 (3) A candidate who is certified as a participating candidate may
2 use this designation in campaign materials and will be so designated in
3 the state voters' pamphlet.

4 NEW SECTION. **Sec. 4. LIMITS ON EARLY CONTRIBUTIONS.** (1) A
5 participating candidate may accept early contributions only from
6 individuals and only during the exploratory period and the qualifying
7 period, subject to the following limitations: A contributor may not
8 give contributions in the aggregate exceeding ten dollars during an
9 election cycle and a participating candidate may not accept
10 contributions from a contributor exceeding ten dollars in the aggregate
11 during an election cycle.

12 (2) Early contributions specified in subsection (1) of this section
13 and the candidate's personal moneys specified in section 2(3) of this
14 act may be spent only during the exploratory period and the qualifying
15 period. Any early contributions not spent by the end of the qualifying
16 period must be paid to the citizens' clean elections fund.

17 NEW SECTION. **Sec. 5. QUALIFYING CONTRIBUTIONS.** (1) During the
18 qualifying period, a participating candidate shall collect a minimum of
19 one hundred qualifying contributions, which must be paid to the
20 citizens' clean elections fund.

21 (2) To qualify as a "qualifying contribution," a contribution must
22 be:

23 (a) Made by a registered voter who at the time of the contribution
24 was registered in the electoral district of the office the candidate is
25 seeking and who has not given, in the aggregate, more than ten dollars
26 to that candidate during that election cycle;

27 (b) Made by a person who is not given anything of value in exchange
28 for the qualifying contribution;

29 (c) In the sum of ten dollars, exactly;

30 (d) Received during the qualifying period by the candidate or on
31 behalf of the candidate;

32 (e) If made by check or money order, made payable to the
33 candidate's authorized committee, or if in cash, deposited in the sole
34 account in the candidate's authorized committee; and

35 (f) Accompanied by a four-part reporting slip that includes the

1 printed name, registration address, and signature of the contributor,
2 the name of the candidate for whom the contribution is made, the date,
3 and the printed name and signature of the solicitor.

4 (3) A copy of the reporting slip must be given as a receipt to the
5 contributor, and another copy must be retained by the candidate's
6 campaign committee. The remaining copies must be forwarded to the
7 commission. Delivery of the reporting slips to the commission excuses
8 the candidate from disclosing the names of the contributors on campaign
9 finance reports filed under RCW 42.17.080.

10 NEW SECTION. **Sec. 6.** CONTROLS ON A PARTICIPATING CANDIDATE'S
11 AUTHORIZED COMMITTEE. (1) A participating candidate and the
12 participating candidate's authorized committee shall conduct all
13 financial activity through a single account. A participating candidate
14 may not make any deposits into this account other than those permitted
15 under sections 4, 5, and 6 of this act.

16 (2) A participating candidate and the treasurer of the
17 participating candidate's authorized committee must sign a joint
18 statement under oath promising to comply with the requirements of RCW
19 42.17.095 and sections 2 through 14 of this act.

20 (3) A participating candidate or the treasurer of the participating
21 candidate's authorized committee shall pay moneys from the authorized
22 committee's account directly to the person providing goods or services
23 to the campaign and shall identify, on reports filed under RCW
24 42.17.080, the full name and street address of the person and the
25 nature of the goods or services and compensation for which payment has
26 been made. However, an authorized committee may establish one or more
27 petty cash accounts, that in aggregate must not exceed one thousand
28 dollars at any time. A single expenditure may not be made from a petty
29 cash account exceeding one hundred dollars. Expenditures from any
30 petty cash accounts must also be included in reports filed under RCW
31 42.17.080.

32 (4) Moneys in the account of a participating candidate's authorized
33 committee may not be used to pay fines or civil penalties, for costs or
34 legal fees related to representation before the commission, or for
35 defense of an enforcement action under this chapter. Nothing in this
36 subsection prevents a participating candidate from having a legal
37 defense fund.

1 NEW SECTION. **Sec. 7.** QUALIFICATION FOR CLEAN CAMPAIGN FUNDING.

2 (1) A candidate who has applied for certification may also apply, in
3 accordance with subsection (2) of this section, to receive funds from
4 the citizens' clean elections fund.

5 (2) To receive funding from the citizens' clean elections fund, a
6 candidate must present to the commission no later than one week after
7 the end of the qualifying period a list of names of persons who have
8 made qualifying contributions under section 5 of this act on behalf of
9 the candidate. The list must be divided by county. At the same time,
10 the candidate must tender to the commission copies of the reporting
11 slips identified in section 5 of this act for persons on the list and
12 an amount equal to the sum of the qualifying contributions collected.
13 The commission shall deposit the amount into the citizens' clean
14 elections fund.

15 (3) The commission shall forward a copy of the reporting slips to
16 the county auditor of the counties of the addresses specified in the
17 selected slips. Within ten days, the county auditors shall provide a
18 report to the commission identifying as disqualified any slips that are
19 unsigned or undated or that the auditor is unable to verify as matching
20 a person who is registered to vote, on the date specified on the slip,
21 inside the electoral district of the office the candidate is seeking.
22 The commission shall approve the candidate for funds if one hundred
23 qualifying contributions are made.

24 (4) To qualify for clean campaign funding, a candidate must have
25 been certified as a participating candidate under section 3 of this act
26 and must have obtained a minimum of one hundred qualifying
27 contributions.

28 NEW SECTION. **Sec. 8.** CLEAN CAMPAIGN FUNDING. (1) On the first

29 business day of each month during the primary election period up until
30 the first business day of the month immediately after the primary
31 election, a participating candidate shall transmit to the commission
32 the names and addresses of each contributor and the amount each person
33 contributed for the previous month. The candidate's committee
34 treasurer must certify that the list is true and accurate. The
35 commission shall check the list to verify that the candidate has not
36 received more than ten dollars in the aggregate from any one individual
37 and that no single contribution exceeds ten dollars. The commission

1 shall arrange a payment by the state treasurer from the citizens' clean
2 elections fund to the account of the authorized committee of each
3 candidate who qualifies for clean campaign funding. The amount of
4 payment will equal one hundred dollars in matching funds for every ten
5 dollars received in contributions by the participating candidate, (a)
6 up to an amount of forty thousand dollars for candidates for state
7 legislative office, (b) up to an amount of two hundred fifty thousand
8 dollars for candidates for state executive office, and (c) up to an
9 amount of two million dollars for candidates for governor, except under
10 the conditions identified in section 9 of this act. Participating
11 candidates who are uncontested in the primary election shall receive
12 matching funds of twenty dollars for every ten dollars received in
13 contributions.

14 (2) On the first business day of each month during the general
15 election period up until the first business day of the month
16 immediately after the general election, a participating candidate shall
17 transmit to the commission the names and addresses of each contributor
18 and the amount each person contributed for the previous month. The
19 candidate's committee treasurer must certify that the list is true and
20 accurate. The commission shall check the list to verify that the
21 candidate has not received more than ten dollars in the aggregate from
22 any one individual and that no single contribution exceeds ten dollars.
23 The commission shall arrange a payment by the state treasurer from the
24 citizens' clean elections fund to the account of the authorized
25 committee of each candidate who qualifies for clean campaign funding.
26 The payment shall be an amount that equals one hundred dollars in
27 matching funds for every ten dollars received in contributions by the
28 participating candidate, (a) up to an amount of forty thousand dollars
29 for candidates for state legislative office, (b) up to an amount of two
30 hundred fifty thousand dollars for candidates for state executive
31 office, and (c) up to an amount of two million dollars for candidates
32 for governor, except under the conditions identified in section 9 of
33 this act. Participating candidates who are uncontested in the general
34 election shall receive matching funds of twenty dollars for every ten
35 dollars received in contributions.

36 NEW SECTION. **Sec. 9.** EQUAL FUNDING OF CANDIDATES. (1) Whenever
37 during a primary or general election period a report is filed, or other

1 information comes to the attention of the commission, indicating that
2 a nonparticipating candidate for the same office as a participating
3 candidate has raised fifty percent more money than a participating
4 candidate, the commission shall authorize, so long as adequate funding
5 is available, additional funds from the citizens' clean elections fund
6 to the account of the authorized committee of any participating
7 candidate seeking the same office as the nonparticipating candidate,
8 the difference between the total amount raised by the nonparticipating
9 candidate and the total amount raised, including matching funds, by the
10 participating candidate.

11 (2) If adequate funding is not available to fully equalize the
12 total amount raised by a nonparticipating candidate, the commission may
13 authorize a lesser amount based on available funding.

14 NEW SECTION. **Sec. 10.** LIMITATIONS ON SPENDING FROM THE CITIZENS'
15 CLEAN ELECTIONS FUND. (1) The commission shall not spend, on all costs
16 incurred under sections 2 through 14 of this act during a particular
17 calendar year, more than two dollars and fifty cents times the
18 population of the state during the previous year, as certified by the
19 office of financial management. This amount may be adjusted by the
20 commission as per the requirements of RCW 42.17.690. The commission
21 may exceed this limit during a calendar year, if it is offset by an
22 equal reduction of the limit during another calendar year during the
23 same four-year period beginning January 1st immediately after a
24 gubernatorial election.

25 (2) The commission may use up to five percent of the amount
26 specified in subsection (1) of this section for reasonable and
27 necessary expenses of administration and enforcement of RCW 42.17.095
28 and sections 2 through 14 of this act. Any portion of the five percent
29 not used for this purpose will remain in the fund.

30 (3) The commission shall apply five percent of the amount specified
31 in subsection (1) of this section for reasonable and necessary expenses
32 necessary to carry out sections 2 through 14 of this act.

33 (4) The state treasurer shall administer a citizens' clean
34 elections fund from which costs incurred under sections 2 through 14 of
35 this act will be paid.

1 NEW SECTION. **Sec. 11.** RETURN OF MONEYS TO THE CITIZENS' CLEAN

2 ELECTIONS FUND. (1) At the end of the primary election period, a
3 participating candidate who has received moneys under section 8(1) of
4 this act shall return to the citizens' clean elections fund all moneys
5 in the account of the candidate's authorized committee above an amount
6 sufficient to pay any unpaid bills for expenditures made during the
7 primary election period and for goods or services directed to the
8 primary election.

9 (2) At the end of the general election period, a participating
10 candidate shall return to the citizens' clean elections fund all moneys
11 in the account of the candidate's authorized committee above an amount
12 sufficient to pay any unpaid bills for expenditures made before the
13 general election and for goods or services directed to the general
14 election.

15 (3) At the end of the general election period, a successful
16 participating candidate may hold in surplus up to five hundred dollars
17 for the following purposes:

18 (a) Nonreimbursed public office-related expenses held in a separate
19 account. Dispositions must be reported in accordance with RCW
20 42.17.090. The separate account required under this subsection may not
21 be used for deposits of campaign funds that are not surplus; and

22 (b) A future election campaign for the same office last sought by
23 the candidate. Dispositions must be reported in accordance with RCW
24 42.17.090. If the candidate subsequently announces or publicly files
25 for office, information as appropriate must be reported to the
26 commission in accordance with RCW 42.17.040 through 42.17.090. If a
27 subsequent office is not sought the surplus held must be returned to
28 the citizens' clean elections fund.

29 (4) A participating candidate shall pay all uncontested and unpaid
30 bills referred to in this section no later than thirty days after the
31 primary or general election. A participating candidate shall make
32 monthly reports to the commission concerning the status of the dispute
33 over any contested bills. Any moneys in a candidate's campaign account
34 after payment of bills must be returned promptly to the citizens' clean
35 elections fund.

36 (5) If a participating candidate is replaced as the result of a
37 vacancy as provided under RCW 29A.24.210, and the replacement candidate
38 files an oath with the commission certifying to section 3(1)(c) of this

1 act, the campaign account of the participating candidate will be
2 transferred to the replacement candidate and the commission shall
3 certify the replacement candidate as a participating candidate without
4 requiring compliance with section 7 or 3(1) (a) and (b) of this act.
5 If the replacement candidate does not file such an oath, the account of
6 the authorized committee of the candidate whose position is vacant will
7 be liquidated and all remaining moneys returned to the citizens' clean
8 elections fund.

9 NEW SECTION. **Sec. 12.** ENFORCEMENT DUTIES. (1) The commission
10 shall:

11 (a) Prescribe forms for reports, statements, notices, and other
12 documents required by RCW 42.17.095 and sections 2 through 14 of this
13 act;

14 (b) Prepare and publish instructions setting forth methods of
15 bookkeeping and preservation of records to facilitate compliance with
16 RCW 42.17.095 and sections 2 through 14 of this act and explaining the
17 duties of persons and committees under RCW 42.17.095 and sections 2
18 through 14 of this act;

19 (c) Adopt rules to implement RCW 42.17.095 and sections 2 through
20 14 of this act, but the joint administrative rules review committee may
21 not make these rules subject to RCW 34.05.328; and

22 (d) Enforce RCW 42.17.095 and sections 2 through 14 of this act,
23 ensure that money from the citizens' clean elections fund that is
24 transferred into the account of an authorized committee of a
25 participating candidate is spent as specified in RCW 42.17.095 and
26 sections 2 through 14 of this act and not otherwise, monitor reports
27 filed under RCW 42.17.095 and sections 2 through 14 of this act and
28 financial records of candidates as needed to ensure that equalization
29 moneys are paid promptly to opposing qualified candidates under section
30 9 of this act.

31 (2) Based on the results of the elections in the year 2004 or any
32 subsequent presidential election, and within six months after such an
33 election, the commission may adopt rules changing the number of
34 qualifying contributions required for any office from those listed in
35 section 7(4) of this act by no more than twenty percent of the number
36 applicable for the preceding presidential election.

1 NEW SECTION. **Sec. 13.** CIVIL PENALTIES. (1) The civil penalty for
2 a violation of a contribution or expenditure limit established under
3 section 2 of this act by or on behalf of a participating candidate is
4 ten times the amount by which the expenditures or contributions exceed
5 the applicable limit.

6 (2) In addition to any other penalties imposed by law, the civil
7 penalty for a violation by or on behalf of a participating candidate of
8 a reporting requirement imposed by this chapter is one hundred dollars
9 per day. A civil penalty imposed under this subsection may not exceed
10 twice the amount of expenditures or contributions not reported in a
11 timely manner. The candidate and the candidate's authorized committee
12 are jointly and severally responsible for a civil penalty imposed under
13 this subsection.

14 (3) A participating candidate found to have knowingly committed a
15 violation of section 2 of this act shall repay the amount from his or
16 her personal funds to the citizens' clean elections fund and shall turn
17 over all money in the candidate's authorized committee account to the
18 citizens' clean elections fund.

19 (4) All civil penalties collected under this section will be
20 deposited into the citizens' clean elections fund.

21 NEW SECTION. **Sec. 14.** INFLATION AND OTHER ADJUSTMENTS OF DOLLAR
22 VALUES. (1) Every two years the commission shall modify the dollar
23 values specified in the following, in the manner specified by RCW
24 42.17.370 to account for inflation: (a) Section 2(1) of this act; (b)
25 section 4(1) of this act; (c) section 6(3) of this act; (d) section
26 8(1)(a) through (c) and (2)(a) through (c) of this act; (e) section
27 10(1) of this act; and (f) subsection (2) of this section. Whenever a
28 dollar value is so adjusted, these statutes will be interpreted to
29 apply to the inflation-adjusted value.

30 (2) Based on the results of the elections in the year 2004 or any
31 presidential election thereafter, and within six months after the
32 election, the commission may adopt rules reallocating funds available
33 to all candidates between the primary and general election by selecting
34 a fraction for primary election matching limits that is between one-
35 third and one-half of the matching limits for the election cycle. For
36 each office, the primary election matching limit will be modified to be

1 the sum of the primary and general elections matching limits multiplied
2 by the selected fraction, and the general election matching limit will
3 be modified to be the same sum.

4 **Sec. 15.** RCW 42.17.020 and 2002 c 75 s 1 are each amended to read
5 as follows:

6 (1) "Adjusted spending limit" means a spending limit as further
7 adjusted to account for reported overages under section 9 of this act.

8 (2) "Agency" includes all state agencies and all local agencies.
9 "State agency" includes every state office, department, division,
10 bureau, board, commission, or other state agency. "Local agency"
11 includes every county, city, town, municipal corporation, quasi-
12 municipal corporation, or special purpose district, or any office,
13 department, division, bureau, board, commission, or agency thereof, or
14 other local public agency.

15 ~~((+2))~~ (3) "Authorized committee" means the political committee
16 authorized by a candidate, or by the public official against whom
17 recall charges have been filed, to accept contributions or make
18 expenditures on behalf of the candidate or public official.

19 ~~((+3))~~ (4) "Ballot proposition" means any "measure" as defined by
20 RCW ~~((29-01-110))~~ 29A.04.091, or any initiative, recall, or referendum
21 proposition proposed to be submitted to the voters of the state or any
22 municipal corporation, political subdivision, or other voting
23 constituency from and after the time when the proposition has been
24 initially filed with the appropriate election officer of that
25 constituency prior to its circulation for signatures.

26 ~~((+4))~~ (5) "Benefit" means a commercial, proprietary, financial,
27 economic, or monetary advantage, or the avoidance of a commercial,
28 proprietary, financial, economic, or monetary disadvantage.

29 ~~((+5))~~ (6) "Bona fide political party" means:

30 (a) An organization that has filed a valid certificate of
31 nomination with the secretary of state under chapter ~~((29-24))~~ 29A.20
32 RCW;

33 (b) The governing body of the state organization of a major
34 political party, as defined in RCW ~~((29-01-090))~~ 29A.04.086, that is
35 the body authorized by the charter or bylaws of the party to exercise
36 authority on behalf of the state party; or

1 (c) The county central committee or legislative district committee
2 of a major political party. There may be only one legislative district
3 committee for each party in each legislative district.

4 ~~((6) "Depository" means a bank designated by a candidate or
5 political committee pursuant to RCW 42.17.050.~~

6 ~~(7) "Treasurer" and "deputy treasurer" mean the individuals
7 appointed by a candidate or political committee, pursuant to RCW
8 42.17.050, to perform the duties specified in that section.~~

9 ~~(8))~~ (7) "Candidate" means any individual who seeks nomination for
10 election or election to public office. An individual seeks nomination
11 or election when he or she first:

12 (a) Receives contributions or makes expenditures or reserves space
13 or facilities with intent to promote his or her candidacy for office;

14 (b) Announces publicly or files for office;

15 (c) Purchases commercial advertising space or broadcast time to
16 promote his or her candidacy; or

17 (d) Gives his or her consent to another person to take on behalf of
18 the individual any of the actions in (a) or (c) of this subsection.

19 ~~((9))~~ (8) "Caucus political committee" means a political
20 committee organized and maintained by the members of a major political
21 party in the state senate or state house of representatives.

22 (9) "Clearly identified candidate" means:

23 (a) The name of the candidate involved appears;

24 (b) A photograph or drawing of the candidate appears; or

25 (c) The identity of the candidate is apparent by unambiguous
26 reference.

27 (10) "Commercial advertiser" means any person who sells the service
28 of communicating messages or producing printed material for broadcast
29 or distribution to the general public or segments of the general public
30 whether through the use of newspapers, magazines, television and radio
31 stations, billboard companies, direct mail advertising companies,
32 printing companies, or otherwise.

33 (11) "Commission" means the agency established under RCW 42.17.350.

34 (12) "Compensation" unless the context requires a narrower meaning,
35 includes payment in any form for real or personal property or services
36 of any kind: PROVIDED, That for the purpose of compliance with RCW
37 42.17.241, the term "compensation" shall not include per diem

1 allowances or other payments made by a governmental entity to reimburse
2 a public official for expenses incurred while the official is engaged
3 in the official business of the governmental entity.

4 (13) "Continuing political committee" means a political committee
5 that is an organization of continuing existence not established in
6 anticipation of any particular election campaign.

7 (14)(a) "Contribution" includes:

8 (i) A loan, gift, deposit, subscription, forgiveness of
9 indebtedness, donation, advance, pledge, payment, transfer of funds
10 between political committees, or anything of value, including personal
11 and professional services for less than full consideration;

12 (ii) An expenditure made by a person in cooperation, consultation,
13 or concert with, or at the request or suggestion of, a candidate, a
14 political committee, or their agents;

15 (iii) The financing by a person of the dissemination, distribution,
16 or republication, in whole or in part, of broadcast, written, graphic,
17 or other form of political advertising prepared by a candidate, a
18 political committee, or its authorized agent;

19 (iv) Sums paid for tickets to fund-raising events such as dinners
20 and parties, except for the actual cost of the consumables furnished at
21 the event.

22 (b) "Contribution" does not include:

23 (i) Standard interest on money deposited in a political committee's
24 account;

25 (ii) Ordinary home hospitality;

26 (iii) A contribution received by a candidate or political committee
27 that is returned to the contributor within five business days of the
28 date on which it is received by the candidate or political committee;

29 (iv) A news item, feature, commentary, or editorial in a regularly
30 scheduled news medium that is of primary interest to the general
31 public, that is in a news medium controlled by a person whose business
32 is that news medium, and that is not controlled by a candidate or a
33 political committee;

34 (v) An internal political communication primarily limited to the
35 members of or contributors to a political party organization or
36 political committee, or to the officers, management staff, or
37 stockholders of a corporation or similar enterprise, or to the members
38 of a labor organization or other membership organization;

1 (vi) The rendering of personal services of the sort commonly
2 performed by volunteer campaign workers, or incidental expenses
3 personally incurred by volunteer campaign workers not in excess of
4 fifty dollars personally paid for by the worker. "Volunteer services,"
5 for the purposes of this section, means services or labor for which the
6 individual is not compensated by any person;

7 (vii) Messages in the form of reader boards, banners, or yard or
8 window signs displayed on a person's own property or property occupied
9 by a person. However, a facility used for such political advertising
10 for which a rental charge is normally made must be reported as an in-
11 kind contribution and counts towards any applicable contribution limit
12 of the person providing the facility;

13 (viii) Legal or accounting services rendered to or on behalf of:

14 (A) A political party or caucus political committee if the person
15 paying for the services is the regular employer of the person rendering
16 such services; or

17 (B) A candidate or an authorized committee if the person paying for
18 the services is the regular employer of the individual rendering the
19 services and if the services are solely for the purpose of ensuring
20 compliance with state election or public disclosure laws.

21 (c) Contributions other than money or its equivalent are deemed to
22 have a monetary value equivalent to the fair market value of the
23 contribution. Services or property or rights furnished at less than
24 their fair market value for the purpose of assisting any candidate or
25 political committee are deemed a contribution. Such a contribution
26 must be reported as an in-kind contribution at its fair market value
27 and counts towards any applicable contribution limit of the provider.

28 (15) "Depository" means a bank designated by a candidate or
29 political committee under RCW 42.17.050.

30 (16) "Elected official" means any person elected at a general or
31 special election to any public office, and any person appointed to fill
32 a vacancy in any such office.

33 ~~((16))~~ (17) "Election" includes any primary, general, or special
34 election for public office and any election in which a ballot
35 proposition is submitted to the voters: PROVIDED, That an election in
36 which the qualifications for voting include other than those
37 requirements set forth in Article VI, section 1 (Amendment 63) of the

1 Constitution of the state of Washington shall not be considered an
2 election for purposes of this chapter.

3 ~~((17))~~ (18) "Election campaign" means any campaign in support of
4 or in opposition to a candidate for election to public office and any
5 campaign in support of, or in opposition to, a ballot proposition.

6 ~~((18))~~ (19) "Election cycle" means the period beginning on the
7 first day of December after the date of the last previous general
8 election for the office that the candidate seeks and ending on November
9 30th after the next election for the office. In the case of a special
10 election to fill a vacancy in an office, "election cycle" means the
11 period beginning on the day the vacancy occurs and ending on November
12 30th after the special election.

13 ~~((19))~~ (20) "Expenditure" includes a payment, contribution,
14 subscription, distribution, loan, advance, deposit, or gift of money or
15 anything of value, and includes a contract, promise, or agreement,
16 whether or not legally enforceable, to make an expenditure. The term
17 "expenditure" also includes a promise to pay, a payment, or a transfer
18 of anything of value in exchange for goods, services, property,
19 facilities, or anything of value for the purpose of assisting,
20 benefiting, or honoring any public official or candidate, or assisting
21 in furthering or opposing any election campaign. For the purposes of
22 this chapter, agreements to make expenditures, contracts, and promises
23 to pay may be reported as estimated obligations until actual payment is
24 made. The term "expenditure" shall not include the partial or complete
25 repayment by a candidate or political committee of the principal of a
26 loan, the receipt of which loan has been properly reported.

27 ~~((20))~~ (21) "Exploratory period" means the period beginning on
28 the day after the previous general election for the office being sought
29 and ending the day before the start of the qualifying period for that
30 office.

31 (22) "Final report" means the report described as a final report in
32 RCW 42.17.080(2).

33 ~~((21))~~ (23) "General election" for the purposes of RCW 42.17.640
34 means the election that results in the election of a person to a state
35 office. It does not include a primary.

36 ~~((22))~~ (24) "General election period" means the period beginning
37 on the day after the primary election and ending on the day of the

1 general election. For a recall election, the "general election period"
2 extends from the day after the end of the qualifying period to the day
3 of the recall election.

4 (25) "General election matching limits" means forty thousand
5 dollars for candidates for state legislative office and two hundred
6 fifty thousand for candidates for state executive office.

7 (26) "Gift," is as defined in RCW 42.52.010.

8 ~~((+23))~~ (27) "Immediate family" includes the spouse, dependent
9 children, and other dependent relatives, if living in the household.
10 For the purposes of RCW 42.17.640 through 42.17.790, "immediate family"
11 means an individual's spouse, and child, stepchild, grandchild, parent,
12 stepparent, grandparent, brother, half brother, sister, or half sister
13 of the individual and the spouse of any such person and a child,
14 stepchild, grandchild, parent, stepparent, grandparent, brother, half
15 brother, sister, or half sister of the individual's spouse and the
16 spouse of any such person.

17 ~~((+24))~~ (28) "Independent expenditure" means an expenditure that
18 has each of the following elements:

19 (a) It is made in support of or in opposition to a candidate for
20 office by a person who is not (i) a candidate for that office, (ii) an
21 authorized committee of that candidate for that office, (iii) a person
22 who has received the candidate's encouragement or approval to make the
23 expenditure, if the expenditure pays in whole or in part for political
24 advertising supporting that candidate or promoting the defeat of any
25 other candidate or candidates for that office, or (iv) a person with
26 whom the candidate has collaborated for the purpose of making the
27 expenditure, if the expenditure pays in whole or in part for political
28 advertising supporting that candidate or promoting the defeat of any
29 other candidate or candidates for that office;

30 (b) The expenditure pays in whole or in part for political
31 advertising that either specifically names the candidate supported or
32 opposed, or clearly ~~((and beyond any doubt))~~ identifies the candidate
33 without using the candidate's name; and

34 (c) The expenditure, alone or in conjunction with another
35 expenditure or other expenditures of the same person in support of or
36 opposition to that candidate, has a value of five hundred dollars or
37 more. A series of expenditures, each of which is under five hundred

1 dollars, constitutes one independent expenditure if their cumulative
2 value is five hundred dollars or more.

3 ~~((+25+))~~ (29)(a) "Intermediary" means an individual who transmits
4 a contribution to a candidate or committee from another person unless
5 the contribution is from the individual's employer, immediate family as
6 defined for purposes of RCW 42.17.640 through 42.17.790, or an
7 association to which the individual belongs.

8 (b) A treasurer or a candidate is not an intermediary for purposes
9 of the committee that the treasurer or candidate serves.

10 (c) A professional fund-raiser is not an intermediary if the fund-
11 raiser is compensated for fund-raising services at the usual and
12 customary rate.

13 (d) A volunteer hosting a fund-raising event at the individual's
14 home is not an intermediary for purposes of that event.

15 ~~((+26+))~~ (30) "Legislation" means bills, resolutions, motions,
16 amendments, nominations, and other matters pending or proposed in
17 either house of the state legislature, and includes any other matter
18 that may be the subject of action by either house or any committee of
19 the legislature and all bills and resolutions that, having passed both
20 houses, are pending approval by the governor.

21 ~~((+27+))~~ (31) "Lobby" and "lobbying" each mean attempting to
22 influence the passage or defeat of any legislation by the legislature
23 of the state of Washington, or the adoption or rejection of any rule,
24 standard, rate, or other legislative enactment of any state agency
25 under the state Administrative Procedure Act, chapter 34.05 RCW.
26 Neither "lobby" nor "lobbying" includes an association's or other
27 organization's act of communicating with the members of that
28 association or organization.

29 ~~((+28+))~~ (32) "Lobbyist" includes any person who lobbies either in
30 his or her own or another's behalf.

31 ~~((+29+))~~ (33) "Lobbyist's employer" means the person or persons by
32 whom a lobbyist is employed and all persons by whom he or she is
33 compensated for acting as a lobbyist.

34 ~~((+30+))~~ (34) "Nonparticipating candidate" means a candidate who
35 does not become certified as a participating candidate under section 3
36 of this act and the authorized committee of the candidate.

37 (35) "Participating candidate" means a candidate who becomes

1 certified as a participating candidate under section 3 of this act and
2 the authorized committee of the candidate.

3 (36) "Person" includes an individual, partnership, joint venture,
4 public or private corporation, association, federal, state, or local
5 governmental entity or agency however constituted, candidate,
6 committee, political committee, political party, executive committee
7 thereof, or any other organization or group of persons, however
8 organized.

9 ~~((+31+))~~ (37) "Person in interest" means the person who is the
10 subject of a record or any representative designated by that person,
11 except that if that person is under a legal disability, the term
12 "person in interest" means and includes the parent or duly appointed
13 legal representative.

14 ~~((+32+))~~ (38) "Political advertising" includes any advertising
15 displays, newspaper ads, billboards, signs, brochures, articles,
16 tabloids, flyers, letters, radio or television presentations, or other
17 means of mass communication, used for the purpose of appealing,
18 directly or indirectly, for votes or for financial or other support in
19 any election campaign.

20 ~~((+33+))~~ (39) "Political committee" means any person (except a
21 candidate or an individual dealing with his or her own funds or
22 property) having the expectation of receiving contributions or making
23 expenditures in support of, or opposition to, any candidate or any
24 ballot proposition.

25 ~~((+34+))~~ (40) "Primary" for the purposes of RCW 42.17.640 means the
26 procedure for nominating a candidate to state office under chapter
27 ~~((29.18 or 29.21))~~ 29A.52 RCW or any other primary for an election that
28 uses, in large measure, the procedures established in chapter ~~((29.18~~
29 ~~or 29.21))~~ 29A.52 RCW.

30 ~~((+35+))~~ (41) "Primary election matching limits" means forty
31 thousand dollars for candidates for state legislative office and two
32 hundred fifty thousand dollars for candidates for state executive
33 office.

34 (42) "Primary period" means the nine-week period before and ending
35 on the day of the primary election. There is no primary period for a
36 recall election.

37 (43) "Public office" means any federal, state, county, city, town,

1 school district, port district, special district, or other state
2 political subdivision elective office.

3 ~~((+36+))~~ (44) "Public record" includes any writing containing
4 information relating to the conduct of government or the performance of
5 any governmental or proprietary function prepared, owned, used, or
6 retained by any state or local agency regardless of physical form or
7 characteristics. For the office of the secretary of the senate and the
8 office of the chief clerk of the house of representatives, public
9 records means legislative records as defined in RCW 40.14.100 and also
10 means the following: All budget and financial records; personnel
11 leave, travel, and payroll records; records of legislative sessions;
12 reports submitted to the legislature; and any other record designated
13 a public record by any official action of the senate or the house of
14 representatives.

15 ~~((+37+))~~ (45) "Qualifying period" means the period beginning on the
16 first day of August in the year before an election, for an election for
17 state office other than legislative, or on the first day of January of
18 an election year, for an election for state legislative office and
19 ending on the close of the regular filing period for the office. For
20 a recall election, the qualifying period begins when the election is
21 called and lasts for thirty days.

22 (46) "Recall campaign" means the period of time beginning on the
23 date of the filing of recall charges under RCW ~~((29.82.015))~~ 29A.56.120
24 and ending thirty days after the recall election.

25 ~~((+38+))~~ (47) "State legislative office" means the office of a
26 member of the state house of representatives or the office of a member
27 of the state senate.

28 ~~((+39+))~~ (48) "State office" means state legislative office or the
29 office of governor, lieutenant governor, secretary of state, attorney
30 general, commissioner of public lands, insurance commissioner,
31 superintendent of public instruction, state auditor, or state
32 treasurer.

33 ~~((+40+))~~ (49) "State official" means a person who holds a state
34 office.

35 ~~((+41+))~~ (50) "Surplus funds" mean, in the case of a political
36 committee or candidate, the balance of contributions that remain in the
37 possession or control of that committee or candidate subsequent to the
38 election for which the contributions were received, and that are in

1 excess of the amount necessary to pay remaining debts incurred by the
2 committee or candidate prior to that election. In the case of a
3 continuing political committee, "surplus funds" mean those
4 contributions remaining in the possession or control of the committee
5 that are in excess of the amount necessary to pay all remaining debts
6 when it makes its final report under RCW 42.17.065.

7 ~~((42))~~ (51) "Treasurer" and "deputy treasurer" mean the
8 individuals appointed by a candidate or political committee, under RCW
9 42.17.050, to perform the duties specified in that section.

10 (52) "Writing" means handwriting, typewriting, printing,
11 photostating, photographing, and every other means of recording any
12 form of communication or representation, including, but not limited to,
13 letters, words, pictures, sounds, or symbols, or combination thereof,
14 and all papers, maps, magnetic or paper tapes, photographic films and
15 prints, motion picture, film and video recordings, magnetic or punched
16 cards, discs, drums, diskettes, sound recordings, and other documents
17 including existing data compilations from which information may be
18 obtained or translated.

19 As used in this chapter, the singular shall take the plural and any
20 gender, the other, as the context requires.

21 **Sec. 16.** RCW 42.17.095 and 1995 c 397 s 31 are each amended to
22 read as follows:

23 The surplus funds of a candidate, or of a political committee
24 supporting or opposing a candidate, may only be disposed of in any one
25 or more of the following ways:

26 (1) Return the surplus to a contributor in an amount not to exceed
27 that contributor's original contribution;

28 (2) Transfer the surplus to the candidate's personal account as
29 reimbursement for lost earnings incurred as a result of that
30 candidate's election campaign. Such lost earnings shall be verifiable
31 as unpaid salary or, when the candidate is not salaried, as an amount
32 not to exceed income received by the candidate for services rendered
33 during an appropriate, corresponding time period. All lost earnings
34 incurred shall be documented and a record thereof shall be maintained
35 by the candidate or the candidate's political committee. The committee
36 shall include a copy of such record when its expenditure for such
37 reimbursement is reported pursuant to RCW 42.17.090;

1 (3) Transfer the surplus without limit to a political party or to
2 a caucus political committee;

3 (4) Donate the surplus to a charitable organization registered in
4 accordance with chapter 19.09 RCW;

5 (5) Transmit the surplus to the state treasurer for deposit in the
6 general fund; (~~or~~)

7 (6) Hold the surplus in the campaign depository or depositories
8 designated in accordance with RCW 42.17.050 for possible use in a
9 future election campaign for the same office last sought by the
10 candidate and report any such disposition in accordance with RCW
11 42.17.090: PROVIDED, That if the candidate subsequently announces or
12 publicly files for office, information as appropriate is reported to
13 the commission in accordance with RCW 42.17.040 through 42.17.090. If
14 a subsequent office is not sought the surplus held shall be disposed of
15 in accordance with the requirements of this section(~~or~~);

16 (7) Hold the surplus campaign funds in a separate account for
17 nonreimbursed public office-related expenses or as provided in this
18 section, and report any such disposition in accordance with RCW
19 42.17.090. The separate account required under this subsection shall
20 not be used for deposits of campaign funds that are not surplus(~~or~~);

21 (8) Notwithstanding subsections (1) through (7) of this section,
22 for those candidates certified for clean election funding, all surplus
23 campaign funds must be transferred to the citizens' clean elections
24 fund; or

25 (9) No candidate or authorized committee may transfer funds to any
26 other candidate or other political committee.

27 The disposal of surplus funds under this section shall not be
28 considered a contribution for purposes of this chapter.

29 NEW SECTION. Sec. 17. A new section is added to chapter 42.17 RCW
30 to read as follows:

31 A county, city, or town may establish a program where a candidate
32 for county, city, or town elected office voluntarily agrees to abide by
33 limitations on the amount of money the candidate, or the candidate's
34 authorized committee, spends to campaign for the office in return for
35 receiving public matching funds from the county, city, or town that are
36 used to assist in funding his or her campaign.

1 **Sec. 18.** RCW 42.52.180 and 1995 c 397 s 30 are each amended to
2 read as follows:

3 (1) No state officer or state employee may use or authorize the use
4 of facilities of an agency, directly or indirectly, for the purpose of
5 assisting a campaign for election of a person to an office or for the
6 promotion of or opposition to a ballot proposition. Knowing
7 acquiescence by a person with authority to direct, control, or
8 influence the actions of the state officer or state employee using
9 public resources in violation of this section constitutes a violation
10 of this section. Facilities of an agency include, but are not limited
11 to, use of stationery, postage, machines, and equipment, use of state
12 employees of the agency during working hours, vehicles, office space,
13 publications of the agency, and clientele lists of persons served by
14 the agency.

15 (2) This section shall not apply to the following activities:

16 (a) Action taken at an open public meeting by members of an elected
17 legislative body to express a collective decision, or to actually vote
18 upon a motion, proposal, resolution, order, or ordinance, or to support
19 or oppose a ballot proposition as long as (i) required notice of the
20 meeting includes the title and number of the ballot proposition, and
21 (ii) members of the legislative body or members of the public are
22 afforded an approximately equal opportunity for the expression of an
23 opposing view;

24 (b) A statement by an elected official in support of or in
25 opposition to any ballot proposition at an open press conference or in
26 response to a specific inquiry. For the purposes of this subsection,
27 it is not a violation of this section for an elected official to
28 respond to an inquiry regarding a ballot proposition, to make
29 incidental remarks concerning a ballot proposition in an official
30 communication, or otherwise comment on a ballot proposition without an
31 actual, measurable expenditure of public funds. The ethics boards
32 shall adopt by rule a definition of measurable expenditure;

33 (c) Activities that are part of the normal and regular conduct of
34 the office or agency; (~~and~~)

35 (d) De minimis use of public facilities by statewide elected
36 officials and legislators incidental to the preparation or delivery of
37 permissible communications, including written and verbal communications

1 initiated by them of their views on ballot propositions that
2 foreseeably may affect a matter that falls within their constitutional
3 or statutory responsibilities; and

4 (e) Activities that are undertaken by a public agency in
5 implementation of sections 2 through 14 of this act, the citizens'
6 clean elections act.

7 (3) As to state officers and employees, this section operates to
8 the exclusion of RCW 42.17.130.

9 **Sec. 19.** RCW 42.17.128 and 1993 c 2 s 24 are each amended to read
10 as follows:

11 Except as provided in sections 2 through 14 of this act, the
12 citizens' clean elections act, public funds, whether derived through
13 taxes, fees, penalties, or any other sources, shall not be used to
14 finance political campaigns for state or local office.

15 **Sec. 20.** RCW 42.17.130 and 1979 ex.s. c 265 s 2 are each amended
16 to read as follows:

17 Except as provided in sections 2 through 14 of this act, the
18 citizens' clean elections act, no elective official nor any employee of
19 his office nor any person appointed to or employed by any public office
20 or agency may use or authorize the use of any of the facilities of a
21 public office or agency, directly or indirectly, for the purpose of
22 assisting a campaign for election of any person to any office or for
23 the promotion of or opposition to any ballot proposition. Facilities
24 of public office or agency include, but are not limited to, use of
25 stationery, postage, machines, and equipment, use of employees of the
26 office or agency during working hours, vehicles, office space,
27 publications of the office or agency, and clientele lists of persons
28 served by the office or agency: PROVIDED, That the foregoing
29 provisions of this section shall not apply to the following activities:

30 (1) Action taken at an open public meeting by members of an elected
31 legislative body to express a collective decision, or to actually vote
32 upon a motion, proposal, resolution, order, or ordinance, or to support
33 or oppose a ballot proposition so long as (a) any required notice of
34 the meeting includes the title and number of the ballot proposition,
35 and (b) members of the legislative body or members of the public are

1 afforded an approximately equal opportunity for the expression of an
2 opposing view;

3 (2) A statement by an elected official in support of or in
4 opposition to any ballot proposition at an open press conference or in
5 response to a specific inquiry;

6 (3) Activities which are part of the normal and regular conduct of
7 the office or agency.

8 NEW SECTION. **Sec. 21.** Sections 2 through 14 of this act may be
9 known as the citizens' clean elections act.

10 NEW SECTION. **Sec. 22.** Sections 2 through 14 of this act are each
11 added to chapter 42.17 RCW.

12 NEW SECTION. **Sec. 23.** Caption headings used in this act are not
13 part of the law.

14 NEW SECTION. **Sec. 24.** If any provision of this act or its
15 application to any person or circumstance is held invalid, the
16 remainder of the act or the application of the provision to other
17 persons or circumstances is not affected.

--- END ---